

# LALIQUE GROUP

MEDIA RELEASE – Ad hoc announcement pursuant to Art. 53 LR

## **Lalique Group announces 2021 annual results**

*Zurich, 21 April 2022* – **Lalique Group SA (SIX: LLQ), which is active in the creation, development, marketing and worldwide distribution of luxury goods, generated operating revenue of EUR 142.0 million in 2021, an increase of 28% compared to 2020 and virtually in line with the pre-pandemic level. As a result of higher business volumes, EBIT rose to EUR 9.6 million, with the EBIT margin reaching 6.8%, and net Group profit totalled EUR 6.8 million. The Board of Directors will propose a dividend of CHF 0.40 per share to the 2022 Annual General Meeting. Lalique Group expects to achieve high single-digit sales growth in percentage terms for 2022.**

**A telephone conference for investors, analysts and the media will be held today at 10:00 a.m. CEST.**

As communicated in the preliminary announcement of 14 March 2022, Lalique Group's sales in 2021 were virtually in line with the pre-pandemic level recorded in 2019. The Lalique segment displayed especially strong growth momentum, generating higher sales than in the period before the pandemic. This included a very pleasing performance by Lalique Parfums in particular, as well as most of the Group's other perfume brands. The whisky business The Glenturret also reported a significant increase in sales, while sales of Ultrasun sunscreen products remained below the prior year. Overall, the Group's operating revenue grew by 28% year on year to EUR 142.0 million (2020: EUR 110.7 million; 2019: EUR 143.5 million).

Continued disciplined cost management, as well as higher business volumes, were reflected on the cost side. Personnel costs totalled EUR 34.6 million in 2021, an increase of 21% compared to the prior year. Other operating expenses of EUR 21.8 million increased by 6%, excluding the litigation provision of EUR 2.4 million recorded in the prior year in connection with legal proceedings in France. Depreciation, amortisation and value adjustments of EUR 14.2 million were 10% lower than in the prior year, excluding the non-cash impairment charge of EUR 4.3 million before tax on Lalique's brand value recorded in 2020.

Earnings before interest and taxes (EBIT) were EUR 9.6 million in 2021, compared to EUR -5.9 million in the prior year, excluding the litigation provision and the brand impairment charge recorded during that period. The EBIT margin was 6.8% in 2021, far exceeding the pre-pandemic level (2019: 1.0%, or 1.8% excluding one-off costs incurred in connection with the acquisition of The Glenturret). Net Group profit was EUR 6.8 million (2020: EUR -15.0 million, including the two exceptional items).

Lalique Group continues to have a solid liquidity and capital position with an equity ratio of 50.9% at the end of 2021 (2020: 46.2%).

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## Segment results

The Lalique segment recorded sales of EUR 85.2 million in 2021, an increase of 29% compared to 2020 and 5% higher than the pre-pandemic level. The perfume business generated a significant increase in sales, which rose 70%, supported in part by the realignment of distribution activities in the Middle East. The crystal business, which continued to experience a decline in sales at Lalique boutiques in a small number of markets in 2021 due to the pandemic, recorded growth of 14% but remained marginally below the level reported in 2019. The gastronomy and hospitality business also returned to a growth path in 2021, even if it was unable to reach the pre-pandemic level due to closures related to lockdown measures in the first half of the year. The increase in sales in the gastronomy business was also supported by the Hotel & Restaurant Lalique – Château Lafaurie-Peyraguey, which was acquired in July 2021 and was awarded a second Michelin start in March 2022. As business activities intensified again, this led to a 13% increase in the segment's personnel costs compared to 2020. Overall, segment costs remained largely stable compared to the prior year (excluding the litigation provision and the brand impairment charge recorded during that period) and were significantly lower than in 2019. EBIT was EUR 5.8 million, compared to EUR -6.6 million in the prior year (excluding the two exceptional items).

Ultrasun generated sales of EUR 13.2 million in 2021, down 11% compared to the prior year. This decline was partly attributable to the ongoing restrictions on holidays and travel due to the pandemic and partly due to lower demand in Far Eastern markets. The gross margin also decreased significantly – primarily due to higher production costs and the removal of older products that could no longer be sold. In the area of online sales, Ultrasun was able to strengthen distribution across all markets in the reporting year. With slightly lower personnel costs and largely stable total costs, profitability at EBIT level was EUR -1.1 million (2020: EUR 0.9 million).

The Jaguar Fragrances segment achieved a 30% increase in sales to EUR 20.7 million. This was driven primarily by European markets and the Middle East. While the segment's overall sales were still below the pre-pandemic level (2019: EUR 23.2 million), profitability at EBIT level of EUR 3.5 million was virtually in line with the pre-pandemic level (2020: EUR 2.0 million; 2019: EUR 3.6 million).

The Glenturret segment achieved a substantial increase in sales, which grew by 271% to EUR 4.9 million in 2021, reflecting significantly higher sales of whisky. The distillery's visitor centre and shop, which have been renovated in the Lalique style and opened again for guided tours at the end of April 2021 following long periods of closure due to the pandemic, also made a good contribution to the result. However, income from the tourist business was still impacted by lower levels of international travel due to the pandemic. The opening in July 2021 of the new The Glenturret Lalique Restaurant, which has met with a very positive response and was awarded its first Michelin star only seven months after opening, led to an increase in operating costs. EBIT was EUR -1.8 million (2020: EUR -2.5 million).

Among the other brands, Bentley Fragrances saw sales increase by 87%. This strong performance, which also significantly exceeded the pre-pandemic level, was driven by the successful expansion of the brand presence in international markets. In contrast, sales generated by Parfums Samouraï were slightly below the

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prior year (-1.5%) because of continued market restrictions due to Covid-19 protective measures in Japan. Parfums Grès reported slight growth in sales of 3% year on year but remained below the pre-pandemic level as markets such as Latin America – which are of key importance for the brand – continued to be significantly impacted by the pandemic. The first two Brioni fragrances, which were presented in spring and autumn 2021, have met with a positive response from the market, and the launch of a third fragrance is currently underway. The perfume filling and logistics business Lalique Beauty Services delivered an 18% increase in sales compared to the prior year. As a result of the overall rise in sales, the segment reported an increase in EBIT to EUR 3.2 million (2020: EUR 1.5 million).

## **Dividend and Annual General Meeting**

After no dividend was distributed in the prior year, the Board of Directors will propose to the Annual General Meeting of 2 June 2022 that a dividend of CHF 0.40 per share be distributed for the 2021 financial year. It is planned that half of the distribution will take the form of an ordinary dividend, with the other half being paid out of capital contribution reserves (free of Swiss withholding tax).

Marcel Roesti, a member of the Board of Directors of Lalique Group since 2008, will not stand for re-election at the forthcoming Annual General Meeting. Philippe Vidal will be proposed for election as a new member of the Board of Directors. Philippe Vidal is a French citizen with a long career at the French banking group Crédit Industriel et Commercial, where he held various leadership positions – including serving as a member of the Executive Board and, most recently, as Deputy CEO until 2021. Chairman Silvio Denz and all other members of the Board of Directors will stand for re-election for a further term of office of one year.

## **Outlook**

The global economic environment continues to be impacted by uncertainty in 2022 – primarily due to geopolitical tensions following the Russian invasion of Ukraine and the related economic sanctions. Lalique Group will continue to pursue its diversification strategy and is convinced that the breadth of its business represents a strength in economically challenging conditions.

Lalique Group will move ahead with selected product launches and projects in the current year to further strengthen its portfolio. They include the new perfume licencing agreement with the global fashion brand Superdry that was announced on 12 April 2022, with the launch of the first fragrance planned for spring 2024. The Group will also continue seizing opportunities to promote the Lalique brand through the world of experiences offered by its gastronomy and hospitality business, which was expanded last year to include the Hotel & Restaurant Lalique – Château Lafaurie-Peyraguey and The Glenturret Lalique Restaurant and now comprises four gastronomic establishments.

Excluding unforeseeable events, Lalique Group expects to generate high single-digit sales growth in percentage terms for the full year 2022. As previously announced, the Group expects the achievement of its medium-term profitability targets set in 2019 (gradual increase in EBIT margin to 9%-11%) to be delayed by around two years due to the Covid-19 situation.

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Roger von der Weid, CEO of Lalique Group: “In 2021, Lalique Group achieved pleasing results that underscore the strength of our broad-based brand portfolio. We will continue to pursue our current path and focus on creating a highly attractive offering for our clients based on our brands and products.”

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## **Documentation on full-year 2021 results**

The following documents are available on Lalique Group's website:

Media release [www.lalique-group.com/media](http://www.lalique-group.com/media)

Results presentation [www.lalique-group.com/financial?section=presentations](http://www.lalique-group.com/financial?section=presentations)

Annual Report [www.lalique-group.com/financial?section=reporting](http://www.lalique-group.com/financial?section=reporting)

## **Conference call for investors, analysts and the media**

Date: Thursday, 21 April 2022

Time: 10:00 a.m. CEST

Speakers: Roger von der Weid, CEO; Alexis Rubinstein, CFO

Dial-in numbers:

Switzerland +41 (0) 58 310 50 00

France +33 (0) 1 7091 87 06

UK +44 (0) 207 107 06 13

USA +1 (1) 631 570 56 13

Click on the following link to view the synchronized presentation (without sound):

<https://services.choruscall.com/mediaframe/webcast.html?webcastid=aArLDZeX>

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## **Lalique Group**

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and lifestyle accessories, along with art, gastronomy and hospitality as well as single malt whisky. Founded in 2000, the company employs approx. 700 staff and has its headquarters in Zurich. The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group (LLQ) are listed on the SIX Swiss Exchange.

You can find further information at: [www.lalique-group.com](http://www.lalique-group.com)

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## Development of Lalique Group key figures

In EUR million

	2021	2020
<b>Operating revenue</b>	142.0	110.7
<b>Gross result</b>	80.2	59.1
Salaries and wages	-34.6	-28.7
Other operating expenses	-21.8	-22.9 <sup>1)</sup>
<b>EBITDA</b>	23.8	7.6
Depreciation and amortisation/impairment	-14.2	-20.2 <sup>2)</sup>
<b>EBIT</b>	9.6	-12.6
EBIT margin	6.8%	-11.3%
Financial result	-1.1	-2.5
<b>Net Group profit</b>	6.8	15.0

1) Includes a litigation provision of EUR 2.4 million.

2) Includes a non-cash impairment charge of EUR 4.3 million on Lalique's brand value.

In EUR

<b>Earnings per share</b>	1.14	-1.76
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In EUR million

	31.12.2021	31.12.2020
<b>Total equity (before shares with non-controlling interests)</b>	168.9	156.6
Equity ratio	50.9	46.2

The complete consolidated financial statements are available at [www.lalique-group.com/financial](http://www.lalique-group.com/financial)